
FHA Portfolio Analysis

Data as of February 2001

Federal Housing Administration Monthly Report
FHA Portfolios Summary
February 2001

| PORTFOLIO | NUMBER | DOLLARS (Billions) | CHANGE FROM PRIOR YEAR |
|--------------------------------------|-----------|-----------------------|---------------------------|
| Single Family Insured | 6,828,689 | \$ 504.2 | 1.6% |
| Multifamily Insured | 14,976 | \$ 53.5 | -0.4% |
| Title I Property Improvement Insured | 211,847 | \$ 3.1 | -18.3% |
| Title I Manufactured Housing Insured | 59,323 | \$ 1.4 | -12.8% |
| Single Family Notes | 1,375 | \$ 0.1 | -87.4% |
| Multifamily Notes | 1,325 | \$ 2.3 | -11.0% |
| Title I Notes | 42,413 | \$ 0.5 | -10.8% |
| Single Family Properties | 32,136 | \$ 2.8 | -31.3% |
| Multifamily Properties | 66 | \$ 0.2 | 24.4% |

Multifamily Insured Portfolio

Endorsements

- During the first five months of this fiscal year, FHA endorsed a total of 200 mortgages compared to 172 mortgages during the same period a year ago.
- During the month of February, new construction and substantial rehabilitation mortgages totaled 34 for \$415.1 million.
- For the first five months of this fiscal year, the number of 221(d)(4) mortgages was 69 for \$734.7 million.
- During the first five months of Fiscal Year 2001, health care facilities endorsements totaled 59 for \$399.7 million, compared to 47 endorsements for \$379.1 million for the same period last year.

Insurance-in-Force

- At the end of February of this fiscal year, the dollar volume of FHA's multifamily insurance-in-force was \$53.5 billion, 0.4 percent below the amount at the same time last year.
- Since February 2000, the number of FHA insured mortgages actually declined three percent to 14,976 million.

Prepayments

- In the first five months of this fiscal year, the number of prepayments totaled 190 for \$461.7 million, compared to 115 prepayments for \$311.2 million during the same period last year, an increase of 48.3 percent in dollars.

Claims

- There were 133, claims processed during the first five months of this fiscal year—on loans owing \$300.1 million, compared to 63 claims owing \$166.1 million for the same period, a year ago.

Federal Housing Administration Monthly Report
Multifamily Insured Portfolio

| | Current Month Feb 2001 | | | Current FYTD Oct 2000-Feb 2001 | | | Prior FYTD Oct 1999-Feb 2000 | | | Percent Change Dollars |
|---|---------------------------|------------------|-------------------|-----------------------------------|------------------|-------------------|---------------------------------|------------------|-------------------|------------------------------|
| | Number | Units | Dollars (\$M) | Number | Units | Dollars (\$M) | Number | Units | Dollars (\$M) | |
| Insurance in Force(Beginning) | 15,081 | 1,766,190 | \$53,429.7 | 15,222 | 1,782,784 | \$53,578.6 | 15,431 | 1,815,736 | \$52,599.0 | 1.9% |
| FY Prepayments(-) | (77) | (10,500) | (\$223.2) | (190) | (26,064) | (\$461.7) | (115) | (15,281) | (\$311.2) | 48.3% |
| FY Claim Terminations(-) | (51) | (4,532) | (\$101.2) | (133) | (13,082) | (\$300.1) | (63) | (6,980) | (\$166.1) | 80.7% |
| FY Endorsements(+) | 58 | 9,034 | \$559.8 | 200 | 28,006 | \$1,632.8 | 172 | 20,706 | \$1,712.1 | -4.6% |
| FY Endorsements by Mortgage type | | | | | | | | | | |
| New Construction/Sub Rehab | 34 | 5,633 | \$415.1 | 121 | 18,465 | \$1,238.6 | 90 | 13,017 | \$1,452.3 | -14.7% |
| Refinance | 23 | 3,401 | \$140.9 | 64 | 9,541 | \$368.3 | 64 | 7,689 | \$232.8 | 58.2% |
| Supplemental/Equity | 1 | 0 | \$3.8 | 8 | 0 | \$17.2 | 5 | 0 | \$22.3 | -22.9% |
| Operating Loss | 0 | 0 | \$0.0 | 3 | 0 | \$5.5 | 1 | 0 | \$0.6 | 822.9% |
| Portfolio Re-engineering | 0 | 0 | \$0.0 | 4 | 0 | \$3.2 | 12 | 0 | \$4.1 | -23.1% |
| FY Endorsements by Program type | | | | | | | | | | |
| Rental Housing | | | | | | | | | | |
| Section 221(d)(3) & 236 | 3 | 461 | \$30.5 | 13 | 1,754 | \$137.8 | 12 | 724 | \$58.9 | 133.9% |
| Section 221(d)(4) | 19 | 3,435 | \$211.3 | 69 | 11,875 | \$734.7 | 62 | 9,098 | \$482.8 | 52.2% |
| Other Rental | 11 | 2,045 | \$113.3 | 32 | 5,772 | \$231.5 | 34 | 3,865 | \$184.9 | 25.3% |
| Risk Share | 7 | 787 | \$42.4 | 27 | 2,528 | \$129.0 | 17 | 1,336 | \$606.4 | -78.7% |
| Health Care Facilities | | | | | | | | | | |
| Nursing Homes | 14 | 1,921 | \$137.6 | 39 | 4,103 | \$255.2 | 28 | 4,183 | \$261.3 | -2.4% |
| BoardCare | 0 | 0 | \$0.0 | 2 | 86 | \$7.7 | 3 | 274 | \$11.0 | -29.9% |
| Assisted Living | 4 | 385 | \$24.7 | 18 | 1,888 | \$136.8 | 15 | 1,185 | \$99.7 | 37.3% |
| Hospitals | 0 | 0 | \$0.0 | 0 | 0 | \$0.0 | 1 | 41 | \$7.1 | N/A |
| Prior FY Prepayments(-) | (35) | (4,195) | (\$108.3) | (111) | (14,823) | (\$646.7) | (89) | (9,709) | (\$231.0) | |
| Prior FY Claims(-) | (8) | (385) | (\$5.7) | (27) | (1,909) | (\$31.4) | (16) | (2,384) | (\$43.0) | |
| Prior FY Endorsements(+) | 2 | 81 | \$3.4 | 9 | 867 | \$42.6 | 57 | 6,159 | \$374.6 | |
| Adjustments | 6 | 427 | (\$15.5) | 6 | 341 | (\$275.1) | 5 | 632 | (\$163.6) | |
| Insurance in Force(Ending) | 14,976 | 1,756,120 | \$53,539.0 | 14,976 | 1,756,120 | \$53,539.0 | 15,382 | 1,808,879 | \$53,770.7 | -0.4% |

Note: Dollars represent original mortgage amount for endorsements and unpaid principal balance for insurance in force and terminations.
Units are not counted for Supplemental, Equity, Operating Loss or Portfolio Re-engineering mortgages.

Multifamily Notes and Properties

Notes

- The multifamily note inventory decreased by 11 percent in dollars to \$2.3 billion compared to last year.
- The decrease in the notes inventory was due primarily to an asset sale in February, there were 139 notes sold totaling 671.4.
- Multifamily note assignments increased to 169, so far this fiscal year from 133 during the same period last fiscal year and the dollar amount of the notes assigned was \$304 million which was more than double than the \$135 million a year ago.
- Assignments due to Section 221(g)(4) and default assignments, were largely responsible for the increase. Section 221(g)(4) increased to 50 from 14 for the same period last year; default assignments, to 60 from 27.

Properties

- The balance of the property inventory was 66 with a cost of \$194.3 million compared to 57 for \$156.2 million a year ago, an increase of 24.4 percent in dollars.

Federal Housing Administration Monthly Report
Multifamily Notes and Properties

| | Current Month Feb 2001 | | | Current FYTD Oct 2000-Feb 2001 | | | Prior FYTD Oct 1999 - Feb 2000 | | | Percent Change Dollars |
|------------------------------|---------------------------|---------------|------------------|-----------------------------------|---------------|------------------|-----------------------------------|---------------|------------------|------------------------------|
| | Number | Units | Dollars (\$M) | Number | Units | Dollars (\$M) | Number | Units | Dollars (\$M) | |
| Notes(Beginning) | 1,430 | 72,017 | \$2,900.3 | 1,334 | 64,494 | \$2,718.9 | 1,089 | 56,309 | \$2,516.6 | 8.0% |
| Pay Offs(-) | (4) | (434) | (\$6.2) | (18) | (794) | (\$28.6) | (18) | (600) | (\$20.8) | 37.5% |
| Conversions(-) | (1) | (42) | (\$1.7) | (6) | (490) | (\$21.2) | (4) | (783) | (\$15.3) | 38.8% |
| Sales(-) | (139) | (14,562) | (\$671.4) | (147) | (14,798) | (\$683.4) | (13) | (1,773) | (\$50.1) | 1264.6% |
| Assignments/Seconds(+) | 40 | 2,372 | \$73.8 | 169 | 11,390 | \$304.0 | 133 | 4,915 | \$135.0 | 125.2% |
| Assignments/Seconds by type | | | | | | | | | | |
| Portfolio Re-engineering | 20 | 0 | \$12.3 | 59 | 0 | \$34.9 | 92 | 0 | \$51.1 | -31.7% |
| Section 221(g)(4) | 7 | 784 | \$14.3 | 50 | 5,726 | \$111.4 | 14 | 1,727 | \$28.7 | 288.1% |
| Other Assignments | 13 | 1,588 | \$47.2 | 60 | 5,664 | \$157.7 | 27 | 3,188 | \$55.1 | 186.0% |
| Adjustments | (1) | (112) | (\$3.9) | (7) | (563) | \$1.3 | (11) | (448) | \$9.2 | |
| Notes(Ending) | 1,325 | 59,239 | \$2,290.9 | 1,325 | 59,239 | \$2,290.9 | 1,176 | 57,620 | \$2,574.5 | -11.0% |
| | | | | | | | | | | |
| Properties(Beginning) | 67 | 9,091 | \$197.4 | 66 | 8,924 | \$185.3 | 59 | 6,356 | \$146.2 | 26.7% |
| Conversions(+) | 0 | 0 | \$0.0 | 6 | 530 | \$21.1 | 5 | 1,311 | \$30.5 | -30.8% |
| Sales(-) | (1) | (214) | (\$3.1) | (6) | (577) | (\$12.2) | (7) | (767) | (\$20.5) | -40.5% |
| Properties(Ending) | 66 | 8,877 | \$194.3 | 66 | 8,877 | \$194.3 | 57 | 6,900 | \$156.2 | 24.4% |

Note: Dollars represent assignment amount for notes and acquisition cost for properties; Data for notes are from Jan 20-Feb 20 for current month and from Oct 1 - Feb 20 for FYTD.

Data for properties is from Feb 1-Feb 28 for current month and from Oct 1 - Feb 28 for FYTD

Units are not counted for Supplemental, Equity, Operating Loss or Portfolio Re-engineering mortgages.

Single Family Insured Portfolio

Insurance-in-Force

- From February 2000 to February 2001, FHA single family insurance-in-force increased by 2 percent in number of active mortgages.

Prepayments

- For the first five months of this fiscal year, single family prepayments numbered 317,188 a 19 percent increase from the number of prepayments during the same period last year.

Claims

- Single family claim terminations processed so far this fiscal year decreased by 13 percent compared to the same period last fiscal year.

Endorsements

- FHA endorsed 388,647 mortgages, including HECM's, totaling \$42 billion for the first five months of this FY which was 1.2 percent below the number reported for the same period in FY 2000.
- In first five months of this FY, the number of Mutual Mortgage Insurance Fund endorsements decreased 2 percent compared to the prior fiscal year-to-date.
- The number of condominium mortgages increased by 6 percent compared to the same time a year ago.
- GI/SRI Fund endorsements in the "Other" category increased by 52 percent compared to the same period last year due to Interest Buy-Down Loans.
- Adjustable rate mortgages (ARM's) decreased 72 percent this fiscal year-to-date, compared to a year ago, numbering 11,602; fixed rate mortgages (FRM's) increased 7 percent.
- Refinancings have increased 7 percent in number from 40,285 during the first five months of FY 2000 to 43,161.
- Endorsements that used Freddie Mac Loan Prospector for credit processing represented 45 percent of all endorsements so far this fiscal year compared to only 30 percent during the same period last fiscal year.

Federal Housing Administration Monthly Report
Single Family Insured Portfolio

| | Current Month Feb 2001 | | Current FYTD Oct 2000-Feb 2001 | | Prior FYTD Oct 1999-Feb 2000 | | Percent Change (Number) |
|---|---------------------------|---------------|-----------------------------------|---------------|---------------------------------|---------------|-------------------------------|
| | Number | Dollars (\$M) | Number | Dollars (\$M) | Number | Dollars (\$M) | |
| Insurance-in-Force (Beginning) | 6,835,511 | \$ 503,482.9 | 6,785,534 | \$ 490,606.7 | 6,628,593 | \$ 443,014.4 | 2% |
| Prepayments(-) | (76,983) | \$ (6,395.6) | (317,188) | \$ (22,346.6) | (267,586) | \$ (15,343.2) | 19% |
| Claim Terminations(-) | (4,914) | \$ (376.5) | (26,609) | \$ (2,033.5) | (30,645) | \$ (2,285.5) | -13% |
| Endorsements(+) | 74,660 | \$ 8,134.5 | 385,369 | \$ 41,266.8 | 390,046 | \$ 39,161.7 | -1% |
| HECM Endorsements | 447 | \$ 38.1 | 3,278 | \$ 273.5 | 3,295 | \$ 241.3 | -1% |
| <i>Endorsements by Program</i> | | | | | | | |
| MMIF | 67,912 | \$ 7,429.6 | 346,247 | \$ 37,272.0 | 353,545 | \$ 35,688.2 | -2% |
| GIF/SRIF | 6,748 | \$ 704.9 | 39,122 | \$ 3,994.8 | 36,501 | \$ 3,473.5 | 7% |
| 234 Condo | 5,538 | \$ 571.2 | 31,321 | \$ 3,169.5 | 29,467 | \$ 2,748.4 | 6% |
| 203(k) Improvement | 702 | \$ 81.3 | 4,368 | \$ 487.2 | 4,776 | \$ 545.7 | -9% |
| Other | 508 | \$ 52.4 | 3,433 | \$ 338.1 | 2,258 | \$ 179.5 | 52% |
| <i>Endorsements by Type</i> | | | | | | | |
| Adjustable Rate Mortgages | 1,482 | \$ 183.7 | 11,602 | \$ 1,457.2 | 41,889 | \$ 5,023.0 | -72% |
| Fixed Rate Mortgages | 73,178 | \$ 7,950.8 | 373,767 | \$ 39,809.6 | 348,157 | \$ 34,138.8 | 7% |
| <i>Endorsements by Purpose</i> | | | | | | | |
| Refinancings | 15,553 | \$ 1,822.0 | 43,161 | \$ 4,897.6 | 40,285 | \$ 3,817.7 | 7% |
| Purchases | 59,107 | \$ 6,312.5 | 342,208 | \$ 36,369.1 | 349,761 | \$ 35,344.0 | -2% |
| <i>Endorsements by Credit Processing*</i> | | | | | | | |
| FHA | 40,085 | \$ 4,422.6 | 211,262 | \$ 22,877.5 | 272,309 | \$ 27,378.7 | -22% |
| FHLMC Scorecard | 34,575 | \$ 3,711.8 | 174,107 | \$ 18,389.2 | 117,737 | \$ 11,783.0 | 48% |
| FNMA Scorecard | | | | | | | |
| Adjustments | 415 | (667) | 1,583 | (3,315) | 3,275 | (2,858) | |
| Insurance-in-Force (Ending) | 6,828,689 | \$ 504,178.2 | 6,828,689 | \$ 504,178.2 | 6,723,683 | \$ 461,689.7 | 2% |

Note: Dollars represent unpaid balance.

* The data for identifying endorsements that used the FNMA Scorecard for credit processing are not yet available - until they can be separately identified, such endorsements are included in the FHA category for credit processing.

Single Family Notes and Properties

Notes

- The single family note inventory declined by 87 percent compared to last year; the primary reason for the decline was a sale of single family notes in the last month of FY 2000.
- For the first five months of the fiscal year, the number of notes on which FHA foreclosed, resulting in conversions to properties, was 250 compared to 179 converted for the same time a year ago.

Properties

- The single family property inventory had 32,136 properties at the end of February, which is 31 percent lower than a year ago.
- Property sales numbered 28,883 for the first five months of FY 2001, compared to 34,055 for the same period last year.
- For the fifth consecutive month of this fiscal year, property sales have out-numbered new property conveyances.

Federal Housing Administration Monthly Report
Single Family Notes and Properties

| | Current Month Feb 2001 | | Current FYTD Oct 2000-Feb 2001 | | Prior FYTD Oct 1999-Feb 2000 | | Percent Change (Number) |
|-------------------------------|---------------------------|---------------|-----------------------------------|---------------|---------------------------------|---------------|-------------------------------|
| | Number | Dollars (\$M) | Number | Dollars (\$M) | Number | Dollars (\$M) | |
| Notes (Beginning) | 1,449 | \$ 64.7 | 1,600 | \$ 73.6 | 11,564 | \$ 647.2 | -86% |
| Pay-Offs(-) | (16) | \$ (0.4) | (45) | \$ (0.9) | (320) | \$ (12.1) | -86% |
| Conversions(-) | (44) | \$ - | (250) | \$ - | (179) | \$ - | 40% |
| Sales(-) | - | \$ - | - | \$ - | - | \$ - | |
| Assignments MNA(+) | 1 | \$ 0.1 | 15 | \$ 0.7 | 29 | \$ 1.6 | -48% |
| Assignments PMM(+) | - | \$ - | 6 | \$ 0.2 | 51 | \$ 2.3 | -88% |
| Adjustments | (15) | \$ (3.5) | 49 | \$ (12.7) | (253) | \$ (21.7) | |
| Notes (Ending) | 1,375 | \$ 60.9 | 1,375 | \$ 60.9 | 10,892 | \$ 617.2 | -87% |
| | | | | | | | |
| Properties (Beginning) | 32,562 | \$ 2,808.0 | 36,471 | \$ 3,145.0 | 51,516 | \$ 4,536.0 | -29% |
| Sales(-) | (5,137) | \$ (444.3) | (28,883) | \$ (2,497.9) | (34,055) | \$ (3,021.0) | -15% |
| Conversions(+) | 44 | \$ - | 250 | \$ - | 179 | \$ - | 40% |
| Conveyances(+) | 4,727 | \$ 412.6 | 24,946 | \$ 2,179.1 | 29,166 | \$ 2,603.2 | -14% |
| Adjustments | (60) | \$ 2.9 | (648) | \$ (46.9) | (13) | \$ 32.8 | |
| Properties (Ending) | 32,136 | \$ 2,779.2 | 32,136 | \$ 2,779.2 | 46,793 | \$ 4,151.0 | -31% |

Note: Dollars represent unpaid balance for notes and acquisition cost for properties.

Single Family Detail

Defaults

- At the end of January 2001, FHA's single family default rate was 3.99 percent, compared to 3.39 percent at the same time a year ago.
- The 50 metropolitan statistical areas (MSAs) with the highest default rates as of January 2001 accounted for 30 percent of the national total of defaults.
- Of the 50 MSAs with the highest total default rates as of January 2001, 12 are located in New York and New Jersey.
- Nearly all of the MSAs in the top 50 that have endorsed ARMs have higher default rates on ARMs than on FRMs.

Loss Mitigation Activity

- Use of loss mitigation methods to keep borrowers in their homes increased 94 percent so far this fiscal year compared to the same period last year.
- Lenders' use of special forbearance agreements increased more than four times to 10,702 in the first five months of this fiscal year compared to the same period last year.
- Lenders used loan modifications a total of 2,897 times so far this year compared to 4,107 times during the same period last year.
- Lenders used partial claims a total of 3,716 times in the first five months of FY 2001 compared to only 2,214 times in the same period last fiscal year.

Insurance Claims

- Use of loss mitigation to remove delinquent borrowers more swiftly from their homes is down in FY 2001 compared to the same period last year. For example, pre-foreclosure sales are down by 25 percent, and deeds-in-lieu by 44 percent.
- Conveyance foreclosure claims number 25,269, down 12 percent compared to year ago when they were 28,678.

Federal Housing Administration Monthly Report
Single Family Detail

| | Current Month Feb 2001 Number | Current FYTD Oct 2000-Feb 2001 Number | Prior FYTD Oct 1999-Feb 2000 Number | Percent Change |
|---|-------------------------------------|---|---|-------------------|
| Status of Insurance-in-Force* | | | | |
| Current | 6,563,007 | 6,563,007 | 6,467,833 | 1% |
| In Default (90 or more days delinquent) | 272,504 | 272,504 | 227,487 | 20% |
| Total Insurance-in-Force | 6,835,511 | 6,835,511 | 6,711,237 | 2% |
| Default Rate | 3.99% | 3.99% | 3.39% | 18% |
| Loss Mitigation Activity ** | | | | |
| Forbearance Agreements | 2,240 | 10,702 | 2,601 | 311% |
| Loan Modifications | 632 | 2,897 | 4,107 | -29% |
| Partial Claims | 739 | 3,716 | 2,214 | 68% |
| Total | 3,611 | 17,315 | 8,922 | 94% |
| Insurance Claims | | | | |
| Conveyance Foreclosure | 4,676 | 25,269 | 28,678 | -12% |
| Pre-Foreclosure Sale | 205 | 1,153 | 1,544 | -25% |
| Deed-in-Lieu of Foreclosure | 32 | 183 | 329 | -44% |
| Other | 1 | 4 | 94 | -96% |
| Total | 4,914 | 26,609 | 30,645 | -13% |

* January data: February data not available until after March 31, 2001

** Counts are based on settlement dates of loss mitigation claims.

Federal Housing Administration Monthly Report
Single Family Detail (continued)

MSA's With The Highest Single Family Default Rates
(Data as of January 31, 2001)

| MSA Name | Default Rates | | | | | | Total IIF | | | Defaults | | |
|---------------------------------|------------------------------|-------|-------|----------------------------|------|-------|-----------------|---------------|---------|-----------------|---------------|---------|
| | Current Year January 2001 | | | Prior Year January 2000 | | | Current Year | Prior Year | Percent | Current Year | Prior Year | Percent |
| | Total | FRM | ARM | Total | FRM | ARM | Jan 2001 | Jan 2000 | Change | Jan 2001 | Jan 2000 | Change |
| NEW YORK, NY | 10.43 | 10.09 | 15.36 | 7.77 | 7.49 | 11.88 | 51,017 | 48,934 | 4% | 5,320 | 3,801 | 40% |
| VINELAND-MILLVILLE-BRIGETON, NJ | 10.15 | 9.88 | 15.58 | 8.49 | 8.20 | 13.74 | 4,217 | 4,125 | 2% | 428 | 350 | 22% |
| MEMPHIS, TN-AR-MS | 9.27 | 9.04 | 12.70 | 8.10 | 7.98 | 9.83 | 80,500 | 83,529 | -4% | 7,465 | 6,769 | 10% |
| NEWARK, NJ | 8.03 | 7.85 | 10.26 | 6.64 | 6.45 | 8.68 | 31,486 | 29,509 | 7% | 2,529 | 1,959 | 29% |
| PHILADELPHIA, PA-NJ | 7.76 | 7.44 | 11.25 | 6.95 | 6.68 | 9.59 | 139,062 | 136,446 | 2% | 10,790 | 9,477 | 14% |
| NASSAU-SUFFOLK, NY | 7.61 | 7.37 | 14.37 | 6.66 | 6.46 | 11.57 | 45,415 | 44,956 | 1% | 3,458 | 2,995 | 15% |
| TRENTON, NJ | 7.29 | 6.86 | 11.77 | 7.04 | 6.62 | 10.74 | 6,363 | 6,012 | 6% | 464 | 423 | 10% |
| ATLANTIC-CAPE MAY, NJ | 7.24 | 6.70 | 13.78 | 6.96 | 6.45 | 12.51 | 10,739 | 10,477 | 3% | 777 | 729 | 7% |
| JERSEY CITY, NJ | 6.76 | 6.56 | 10.68 | 5.44 | 5.32 | 7.65 | 6,968 | 6,430 | 8% | 471 | 350 | 35% |
| BIRMINGHAM, AL | 6.75 | 6.59 | 9.25 | 5.33 | 5.16 | 7.81 | 31,700 | 32,108 | -1% | 2,141 | 1,712 | 25% |
| ROCKFORD, IL | 6.73 | 6.08 | 10.72 | 5.02 | 4.18 | 9.08 | 8,068 | 7,397 | 9% | 543 | 371 | 46% |
| KANKAKEE, IL | 6.64 | 5.70 | 12.99 | 4.82 | 3.96 | 10.11 | 1,370 | 1,265 | 8% | 91 | 61 | 49% |
| SUMTER, SC | 6.54 | 6.28 | 15.00 | 6.10 | 6.02 | 8.33 | 1,361 | 1,328 | 2% | 89 | 81 | 10% |
| TERRE HAUTE, IN | 6.35 | 5.80 | 12.50 | 4.54 | 3.71 | 10.96 | 788 | 639 | 23% | 50 | 29 | 72% |
| TUSCALOOSA, AL | 6.34 | 6.12 | 8.72 | 4.78 | 4.61 | 6.54 | 2,603 | 2,555 | 2% | 165 | 122 | 35% |
| READING, PA | 6.33 | 5.86 | 11.40 | 5.55 | 5.15 | 9.13 | 4,978 | 4,722 | 5% | 315 | 262 | 20% |
| AGUADILLA, PR | 6.21 | 6.21 | 0.00 | 4.83 | 4.83 | 0.00 | 1,642 | 1,759 | -7% | 102 | 85 | 20% |
| BERGEN-PASSAIC, NJ | 6.18 | 5.92 | 9.77 | 4.91 | 4.51 | 9.94 | 12,790 | 11,766 | 9% | 790 | 578 | 37% |
| CHATTANOOGA, TN-GA | 6.10 | 6.01 | 9.19 | 5.28 | 5.23 | 6.65 | 12,683 | 13,000 | -2% | 774 | 686 | 13% |
| JANESVILLE-BELOIT, WI | 6.05 | 5.59 | 8.37 | 4.00 | 3.18 | 7.85 | 1,306 | 1,374 | -5% | 79 | 55 | 44% |
| JACKSON, MS | 5.93 | 5.80 | 10.92 | 5.32 | 5.26 | 7.29 | 22,958 | 23,895 | -4% | 1,362 | 1,270 | 7% |
| CHICAGO, IL | 5.92 | 5.18 | 8.51 | 4.92 | 4.06 | 7.48 | 195,068 | 197,025 | -1% | 11,547 | 9,700 | 19% |
| CLEVELAND-LORAIN-ELYRIA, OH | 5.91 | 5.61 | 9.39 | 5.19 | 4.99 | 7.24 | 43,182 | 43,110 | 0% | 2,552 | 2,237 | 14% |
| COLUMBUS, GA-AL | 5.87 | 5.69 | 10.60 | 4.48 | 4.21 | 11.87 | 6,031 | 6,115 | -1% | 354 | 274 | 29% |
| GARY, IN | 5.85 | 5.49 | 10.61 | 4.82 | 4.52 | 8.66 | 18,523 | 18,905 | -2% | 1,083 | 912 | 19% |

Federal Housing Administration Monthly Report
Single Family Detail (continued)

MSA's With The Highest Single Family Default Rates
(Data as of January 31, 2001)

| MSA Name | Default Rates | | | | | | Total IIF | | | Defaults | | |
|-----------------------------|------------------------------|------|-------|----------------------------|------|-------|-----------------|---------------|---------|-----------------|---------------|---------|
| | Current Year January 2001 | | | Prior Year January 2000 | | | Current Year | Prior Year | Percent | Current Year | Prior Year | Percent |
| | Total | FRM | ARM | Total | FRM | ARM | Jan 2001 | Jan 2000 | Change | Jan 2001 | Jan 2000 | Change |
| PUNTA GORDA, FL | 5.80 | 5.51 | 8.57 | 3.98 | 3.43 | 8.24 | 3,292 | 3,065 | 7% | 191 | 122 | 57% |
| BALTIMORE, MD | 5.79 | 5.26 | 8.71 | 4.48 | 3.92 | 7.31 | 129,635 | 128,000 | 1% | 7,499 | 5,738 | 31% |
| DAYTONA BEACH, FL | 5.78 | 5.61 | 8.74 | 4.32 | 4.05 | 8.55 | 13,916 | 13,395 | 4% | 804 | 579 | 39% |
| MACON, GA | 5.76 | 5.62 | 10.30 | 5.04 | 4.92 | 8.70 | 7,517 | 7,585 | -1% | 433 | 382 | 13% |
| MONMOUTH-OCEAN, NJ | 5.70 | 5.30 | 10.37 | 5.06 | 4.65 | 9.25 | 20,946 | 19,871 | 5% | 1,193 | 1,006 | 19% |
| PONCE, PR | 5.66 | 5.66 | 0.00 | 4.21 | 4.21 | 0.00 | 6,798 | 7,102 | -4% | 385 | 299 | 29% |
| YORK, PA | 5.64 | 5.06 | 8.72 | 3.66 | 3.12 | 6.17 | 10,222 | 9,823 | 4% | 576 | 359 | 60% |
| ROCHESTER, NY | 5.54 | 5.38 | 8.61 | 5.01 | 4.91 | 6.71 | 35,290 | 35,528 | -1% | 1,956 | 1,778 | 10% |
| FORT LAUDERDALE, FL | 5.54 | 5.45 | 6.80 | 5.10 | 4.95 | 7.15 | 55,228 | 56,080 | -2% | 3,057 | 2,858 | 7% |
| MIAMI, FL | 5.52 | 5.42 | 9.82 | 5.30 | 5.18 | 10.05 | 76,809 | 77,781 | -1% | 4,242 | 4,124 | 0% |
| COLUMBIA, SC | 5.39 | 4.80 | 13.94 | 4.39 | 4.03 | 9.33 | 15,876 | 16,568 | -4% | 856 | 727 | 18% |
| ARECIBO, PR | 5.36 | 5.36 | 0.00 | 4.28 | 4.28 | 0.00 | 2,911 | 3,061 | -5% | 156 | 131 | 19% |
| JAMESTOWN, NY | 5.36 | 5.30 | 6.98 | 5.07 | 4.97 | 7.37 | 2,352 | 2,309 | 2% | 126 | 117 | 8% |
| PINE BLUFF, AR | 5.35 | 5.33 | 10.00 | 4.97 | 4.99 | 0.00 | 2,806 | 2,836 | -1% | 150 | 141 | 6% |
| PEORIA-PEKIN, IL | 5.32 | 5.06 | 10.56 | 3.21 | 3.07 | 5.56 | 3,362 | 3,211 | 5% | 179 | 103 | 74% |
| SHREVEPORT-BOSSIER CITY, LA | 5.32 | 5.29 | 8.57 | 4.56 | 4.54 | 7.55 | 17,178 | 18,170 | -5% | 914 | 829 | 10% |
| DOVER, DE | 5.29 | 4.92 | 8.60 | 4.62 | 4.47 | 5.78 | 2,193 | 1,970 | 11% | 116 | 91 | 27% |
| AUGUSTA-AIKEN, GA-SC | 5.28 | 5.12 | 10.20 | 4.32 | 4.24 | 6.51 | 12,000 | 12,227 | -2% | 634 | 528 | 20% |
| NEWBURGH, NY-PA | 5.26 | 5.07 | 8.93 | 4.80 | 4.71 | 6.22 | 4,409 | 3,940 | 12% | 232 | 189 | 23% |
| MANSFIELD, OH | 5.23 | 5.07 | 6.90 | 3.56 | 3.23 | 6.94 | 1,624 | 1,631 | 0% | 85 | 58 | 47% |
| JACKSONVILLE, FL | 5.19 | 5.01 | 8.91 | 4.30 | 4.15 | 7.20 | 35,365 | 36,100 | -2% | 1,837 | 1,552 | 18% |
| CAGUAS, PR | 5.19 | 5.19 | 0.00 | 3.97 | 3.97 | 0.00 | 9,589 | 10,239 | -6% | 498 | 406 | 23% |
| FORT MYERS-CAPE CORAL, FL | 5.19 | 4.86 | 7.10 | 3.90 | 3.40 | 6.46 | 13,461 | 12,954 | 4% | 699 | 505 | 38% |
| BATON ROUGE, LA | 5.18 | 5.13 | 8.36 | 3.66 | 3.64 | 4.98 | 18,942 | 19,019 | 0% | 982 | 696 | 41% |
| HAMILTON-MIDDLETOWN, OH | 5.18 | 4.64 | 8.00 | 3.03 | 2.66 | 4.65 | 7,897 | 7,900 | 0% | 409 | 239 | 71% |

Title I Portfolios

Insurance-in-Force

- Property improvement insurance-in-force declined to \$3.1 billion, down by 18 percent in dollars from a year ago.
- Manufactured housing insurance-in-force declined to \$1.4 billion, down by 13 percent in dollars from a year ago.

Prepayments

- Property improvement loan prepayments decreased 23 percent from the number reported during the same period last year.
- Manufactured housing loan prepayments decreased 34 percent from the number reported during the same period last year.

Claims

- Property improvement claim terminations processed in this FY decreased by 67 percent compared to last year.
- Manufactured housing claim terminations processed in this FY decreased by 62 percent compared to last year.

Endorsements

- Property improvement endorsements numbered 4,862 in the first five months of the FY 2001, compared to 9,486 during the same period last year.
- There were 396 manufactured housing endorsements for the first five months of the FY 2001, compared to 104 during the same period last year.

Notes

- The portfolio decreased 11 percent to 42,413 notes in February of this fiscal year, compared to a year ago.
- During the first five months of FY 2001, 1,056 cases were closed, compared to 670 closed in same period in FY 2000.

Federal Housing Administration Monthly Report
Title I Portfolios

| | Current Month Feb 2001 | | Current FYTD Oct 2000-Feb 2001 | | Prior FYTD Oct 1999-Feb 2000 | | Percent Change (Number) |
|---------------------------------------|---------------------------|---------------|-----------------------------------|---------------|---------------------------------|---------------|-------------------------------|
| | Number | Dollars (\$M) | Number | Dollars (\$M) | Number | Dollars (\$M) | |
| Insurance-in-Force (Beginning) | | | | | | | |
| Property Improvement | 215,908 | \$ 3,204.6 | 229,508 | \$ 3,400.9 | 278,334 | \$ 4,067.3 | -18% |
| Manufactured Housing | 59,936 | \$ 1,453.8 | 61,974 | \$ 1,496.0 | 72,578 | \$ 1,727.6 | -15% |
| Prepayments(-) | | | | | | | |
| Property Improvement | (3,254) | \$ (45.8) | (20,749) | \$ (290.1) | (26,929) | \$ (373.0) | -23% |
| Manufactured Housing | (704) | \$ (15.7) | (2,857) | \$ (62.4) | (4,315) | \$ (95.3) | -34% |
| Claim Terminations(-) | | | | | | | |
| Property Improvement | (1) | \$ (0.0) | (533) | \$ (7.8) | (1,609) | \$ (24.7) | -67% |
| Manufactured Housing | - | \$ - | (116) | \$ (3.1) | (307) | \$ (7.9) | -62% |
| Endorsements(+) | | | | | | | |
| Property Improvement | 1,036 | \$ 11.7 | 4,862 | \$ 54.2 | 9,486 | \$ 132.7 | -49% |
| Manufactured Housing | 100 | \$ 3.2 | 396 | \$ 12.2 | 104 | \$ 3.1 | 281% |
| Adjustments | | | | | | | |
| Property Improvement | (1,842) | \$ (30.1) | (1,241) | \$ (16.9) | (130) | \$ (2.0) | |
| Manufactured Housing | (9) | \$ (0.2) | (74) | \$ (1.5) | 6 | \$ 0.2 | |
| Insurance-in-Force (Ending) | | | | | | | |
| Property Improvement | 211,847 | \$ 3,140.2 | 211,847 | \$ 3,140.2 | 259,152 | \$ 3,800.5 | -18% |
| Manufactured Housing | 59,323 | \$ 1,441.1 | 59,323 | \$ 1,441.1 | 68,066 | \$ 1,627.8 | -13% |
| Notes (Beginning) | 42,382 | \$ 497.4 | 42,401 | \$ 480.1 | 46,064 | \$ 515.0 | -8% |
| New Cases Assigned(+) | 200 | \$ 2.6 | 1,514 | \$ 19.5 | 2,222 | \$ 30.3 | -32% |
| Interest Accrual(+) | N/A | \$ 2.0 | N/A | \$ 10.5 | N/A | \$ 11.7 | |
| Net Collections(-) | N/A | \$ (2.0) | N/A | \$ (8.8) | N/A | \$ (9.2) | |
| Cases Closed(-) | (114) | \$ (0.5) | (1,056) | \$ (3.1) | (670) | \$ (2.9) | 58% |
| Adjustments | (55) | \$ 0.2 | (446) | \$ 1.4 | (55) | \$ 0.7 | |
| Notes (Ending) | 42,413 | \$ 499.6 | 42,413 | \$ 499.6 | 47,561 | \$ 545.7 | -11% |

Note: Dollars represent original loan proceeds for insurance-in-force and unpaid balance for notes.

Commitments and GI/SRI Credit Subsidy

MMIF

- MMIF commitments total \$46 billion in the first five months of this fiscal year.
- The MMIF commitment authority is \$160 billion.

GIF/SRIF

- GIF/SRIF commitments, which, for multifamily programs, include only those programs that are in positive credit subsidy risk categories, total \$5 billion so far for this fiscal year.
- The GIF/SRIF commitment authority is \$21 billion.

GI/SRI Credit Subsidy

- For FY 2001, there are positive credit subsidy factors for only the Title I manufactured housing program and certain multifamily programs.
- FHA used \$63.2 million in credit subsidy so far this fiscal year which, annualized, would be \$152 million. FHA has a total authority of only \$101 million for all of FY 2001.

Federal Housing Administration Monthly Report
Commitments & Credit Subsidy
By Program and Month: FY 2001

Dollars in Millions

| Commitments | | | | | | | | | | |
|---------------------------|-----------------------|----------------------|---------------------|-----------------------|--------------------------|-------------------------|-------------------------------------|-----------------------------|-------------------------------|--|
| Fiscal Year 2001 | MMIF | GI/SRIF Total | Section 234 | Section 203(k) | Section 221(d)(2) | GI/SRI Other SF* | Title I Property Improvement | Title I Mobile Homes | GIF/SRIF Multifamily** | |
| Oct | \$ 8,951.777 | \$ 1,658.068 | \$ 962.097 | \$ 157.251 | \$ 0.565 | \$ 178.097 | \$ 0.186 | \$ - | \$ 359.873 | |
| Nov | \$ 8,190.109 | \$ 837.053 | \$ 523.699 | \$ 75.733 | \$ 0.022 | \$ 100.178 | \$ 3.223 | \$ 0.051 | \$ 134.146 | |
| Dec | \$ 7,680.861 | \$ 996.125 | \$ 519.844 | \$ 84.040 | \$ 0.216 | \$ 120.996 | \$ 33.290 | \$ 6.729 | \$ 231.009 | |
| Jan | \$ 10,684.944 | \$ 999.606 | \$ 602.358 | \$ 90.040 | \$ 2.079 | \$ 120.269 | \$ 5.854 | \$ 2.201 | \$ 176.805 | |
| Feb | \$ 10,348.689 | \$ 957.797 | \$ 572.191 | \$ 81.423 | \$ 0.434 | \$ 90.179 | \$ 11.651 | \$ 3.201 | \$ 198.718 | |
| Mar | | \$ - | | | | | | | | |
| Apr | | \$ - | | | | | | | | |
| May | | \$ - | | | | | | | | |
| Jun | | \$ - | | | | | | | | |
| Jul | | \$ - | | | | | | | | |
| Aug | | \$ - | | | | | | | | |
| Sep | | \$ - | | | | | | | | |
| FYTD 2001 Total | \$ 45,856.382 | \$ 5,448.649 | \$ 3,180.189 | \$ 488.487 | \$ 3.316 | \$ 609.720 | \$ 54.204 | \$ 12.182 | \$ 1,100.551 | |
| FY 2000 Total | \$ 92,041.554 | \$ 10,213.304 | \$ 6,277.329 | \$ 1,198.139 | \$ 14.779 | \$ 858.746 | \$ 246.817 | \$ 10.063 | \$ 1,507.430 | |
| FY 2001 Annualized | \$ 110,055.316 | \$ 13,076.757 | \$ 7,632.453 | \$ 1,172.369 | \$ 7.959 | \$ 1,463.328 | \$ 130.089 | \$ 29.237 | \$ 2,641.323 | |
| FY 2001 Authority | \$ 160,000.000 | \$ 21,000.000 | | | | | | | | |

| Credit Subsidy | | | | | | | | | | |
|---------------------------|-------------|----------------------|--------------------|-----------------------|--------------------------|------------------------|-------------------------------------|-----------------------------|-----------------------------|--|
| Fiscal Year 2000 | MMIF | GI/SRIF Total | Section 234 | Section 203(k) | Section 221(d)(2) | GI/SRI Other SF | Title I Property Improvement | Title I Mobile Homes | GIF/SRIF Multifamily | |
| <i>Subsidy Factor</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> | <i>0.0014</i> | <i>Various</i> | |
| Oct | N/A | \$ 18.618 | N/A | N/A | N/A | N/A | N/A | \$ - | \$ 18.618 | |
| Nov | N/A | \$ 7.401 | N/A | N/A | N/A | N/A | N/A | \$ 0.000 | \$ 7.401 | |
| Dec | N/A | \$ 13.035 | N/A | N/A | N/A | N/A | N/A | \$ 0.009 | \$ 13.025 | |
| Jan | N/A | \$ 13.971 | N/A | N/A | N/A | N/A | N/A | \$ 0.003 | \$ 13.968 | |
| Feb | N/A | \$ 10.150 | N/A | N/A | N/A | N/A | N/A | \$ 0.004 | \$ 10.145 | |
| Mar | N/A | \$ - | N/A | N/A | N/A | N/A | N/A | \$ - | | |
| Apr | N/A | \$ - | N/A | N/A | N/A | N/A | N/A | \$ - | | |
| May | N/A | \$ - | N/A | N/A | N/A | N/A | N/A | \$ - | | |
| Jun | N/A | \$ - | N/A | N/A | N/A | N/A | N/A | \$ - | | |
| Jul | N/A | \$ - | N/A | N/A | N/A | N/A | N/A | \$ - | | |
| Aug | N/A | \$ - | N/A | N/A | N/A | N/A | N/A | \$ - | | |
| Sep | N/A | \$ - | N/A | N/A | N/A | N/A | N/A | \$ - | | |
| FYTD 2001 Total | N/A | \$ 63.174 | N/A | N/A | N/A | N/A | N/A | \$ 0.017 | \$ 63.157 | |
| FY 2000 Total | N/A | \$ 152.476 | \$ 11.677 | \$ 14.931 | \$ 0.452 | \$ 1.814 | \$ 4.393 | \$ 0.120 | \$ 119.088 | |
| FY 2001 Annualized | N/A | \$ 151.617 | N/A | N/A | N/A | N/A | N/A | \$ 0.041 | \$ 151.576 | |
| FY 2001 Authority | N/A | \$ 101.000 | | | | | | | | |

* includes HECMs

** includes only those Multifamily programs that are in positive credit subsidy risk categories

Single Family Market Comparisons

(Due to a lag in reporting of conventional information, these notes describe data for the previous month)

Insured Mortgage Applications

- Total mortgage insurance applications increased 18 percent in the first four months of FY 2001 compared to same period in FY 2000.
- FHA applications increased 5 percent in the first four months of FY 2001; this compares to a 34 percent increase in conventional mortgage applications and a 14 percent decrease in VA guarantee applications.
- FHA's share of total mortgage insurance applications was 36 percent for the first four months of FY 2001 and 41 percent for the same period in FY 2000.

Insured Mortgage Endorsements

- FHA's share of insured mortgage endorsements was 33 percent for the first four months of FY 2001.
- The share for conventional insurers increased from 54 percent to 59 percent and VA's share decreased from 10 percent to 8 percent.

Home Sales Market

- The number of FHA purchase mortgages decreased 5 percent in the first four months of FY 2001 compared to the first four months of FY 2000.
- Overall, home sales are up 1 percent so far in FY 2001 compared to the same period a year ago.
- FHA's share of home sales was 14.1 percent for the first four months of FY 2001 compared to 15.0 percent for the same period a year ago.

Single Family Market Comparisons
(Due to a lag in reporting of conventional information, these data are for the previous month)

| Current Month Jan 2001 | | | | Current FY Oct - Jan 2001 | | | | Prior FY Oct - Jan 2000 | | | | Percent Change (Number) |
|-------------------------------|---------|----------------------|-----------------------|------------------------------|-------------|----------------------|-----------------------|----------------------------|------|----------------------|-----------------------|--------------------------------|
| Number | | Application Share | | Number | | Application Share | | Number | | Application Share | | |
| INSURED MORTGAGE APPLICATIONS | | | | | | | | | | | | |
| Conventional | 154,268 | 59% | | 572,848 | 57% | | 426,284 | 50% | | 34% | | |
| FHA * | 90,502 | 35% | | 361,390 | 36% | | 343,871 | 41% | | 5% | | |
| VA | 15,351 | 6% | | 64,568 | 6% | | 74,874 | 9% | | -14% | | |
| TOTAL | 260,121 | 100% | | 998,806 | 100% | | 845,029 | 100% | | 18% | | |
| | | | | | | | | | | | | |
| Number | | Dollars (\$M) | Insured Share (\$) | Number | | Dollars (\$M) | Insured Share (\$) | Number | | Dollars (\$M) | Insured Share (\$) | Percent Change (Dollars) |
| INSURED MORTGAGE ENDORSEMENTS | | | | | | | | | | | | |
| Conventional | 95,268 | \$ 15,272.1 | 59% | 421,483 | \$ 58,918.0 | 59% | 374,172 | \$ 49,750.7 | 54% | 18% | | |
| FHA | 80,216 | \$ 8,646.0 | 33% | 310,709 | \$ 33,243.0 | 33% | 333,170 | \$ 33,829.0 | 37% | -2% | | |
| VA | 15,355 | \$ 1,900.7 | 7% | 64,145 | \$ 7,811.4 | 8% | 77,556 | \$ 8,973.5 | 10% | -13% | | |
| TOTAL | 190,839 | \$ 25,818.8 | 100% | 796,337 | \$ 99,972.4 | 100% | 784,898 | \$ 92,553.2 | 100% | 8% | | |
| | | | | | | | | | | | | |
| Number | | FHA Share | | Number | | FHA Share | | Number | | FHA Share | | Percent Change (Number) |
| HOMES SALES MARKET | | | | | | | | | | | | |
| FHA Purchase Mortgages** | 70,374 | 14.1% | | 283,101 | 14.1% | | 298,320 | 15.0% | | -5% | | |
| Home Sales*** | 497,833 | | | 2,008,667 | | | 1,990,417 | | | 1% | | |

* Data for applications are for Dec 23, 2000 - Jan 20, 2001 for current month, Sep 24, 2000 - Jan 20, 2001 for current FYTD, and Sep 19,1999 - Jan 22, 2000 for prior FYTD.

** FHA insured minus FHA refinancings

*** Includes new and existing construction home sales and a month lag between home sale and FHA endorsement of mortgage to purchase home.

Note: Dollars represent original amounts insured